

<b>TRANSMITTAL SLIP</b>		<b>DATE</b> 3 Feb 86
<b>TO:</b> DDA		
<b>ROOM NO.</b>	<b>BUILDING</b>	
<b>REMARKS:</b> MS/DA <u>DR</u> 3 Feb 86 EXO/DDA <u>AM</u> 3 Feb. ADDA <u>✓</u> 3 FEB 1986 DDA <u>R</u> 2/3/86 We are forwarding appropriate guidance to the DA Offices.. Plus a copy of this memo DDA REG.		
<b>FROM:</b> O/Comptroller		
<b>ROOM NO.</b>	<b>BUILDING</b>	<b>EXTENSION</b>

~~SECRET~~

100-3

8 FEB 1988

MEMORANDUM FOR: ✓Deputy Director for Administration  
Deputy Director for Intelligence  
Deputy Director for Operations  
Deputy Director for Science and Technology  
Administrative Officer, DCI Area

FROM: Daniel A. Childs, Jr.  
Comptroller

25X1 SUBJECT: Guidance for FY 1988 Base and Ongoing Initiatives Review

1. This memorandum provides further guidance, promised in the 1988 Program and Budget Call Instructions, for the review of our 1988 base and ongoing investment programs. We will conduct this review between 19 February and 21 March.

2. The severely constrained resource environment that has led to reductions in the 1986 and 1987 programs will continue in 1988. Guidance provided by the IC Staff for development of our 1988 program barely covers projected 1988 costs of our current 1987 program, and recent experience strongly indicates that guidance is more likely to fall than to rise. In addition, present guidance does not address mandatory reductions under Gramm-Rudman that are expected to have a significant impact on our 1988 program. Thus, we must rigorously reexamine our base and ongoing investment programs to identify alternatives and tradeoffs to accommodate any new initiatives that we have to undertake in 1988.

3. Our base review this year will not require you to identify possible base reductions at this time. Nonetheless, you should be aware that the constrained fiscal outlook will require that we examine the base more closely as we begin to structure our 1988 program in April and May. At that time you will be asked to propose ways to trim your base resources to accommodate required new initiatives. In order to insure further flexibility in formulating our 1988 program, the base request will not be permitted to increase by one percent again this year. We have provided detailed financial guidance to assist you in developing your 1988 base and ongoing initiatives (see attachment A).

4. A list of the 1988 ongoing initiatives is at attachment F. We suggest that the SAFE Follow-on and Mission B initiatives be renamed to reflect future objectives; the S&T Security initiative be subsumed under the Countermeasures initiative; and Counterterrorism Enhancement and Counterterrorism/Counter narcotics become one initiative.

~~SECRET~~

5. The following information should be forwarded to the Comptroller by the dates indicated:

BASE REVIEW REQUIREMENTS (Due 18 February)

- Base calculation form (CPB-3). Much of the information you will need to complete this form is included in the detailed financial guidance attached. You will need to fill in only the "Other Changes" and "Base Request" columns on the form. Since we are not approving any base increases other than inflation this year, any shortfalls in base resources in one expenditure center must be accommodated through directorate adjustments in other expenditure center base resources.

ONGOING INITIATIVE REVIEW (Due 26 February)

- Ongoing initiative forms (CPB-4 and CPB-1). Instructions for preparing these forms are contained in the 1988 Program and Budget Call Instructions. If the initiative was an ongoing in the 1987 program, we suggest that you review and update the narrative that we submitted to OMB in September 1985 rather than construct a new one. If it was a new initiative in the 1987 program, you should rewrite it according to the instructions in the 1988 Program and Budget Call Instructions.

- The funding profile of each ongoing initiative should be reviewed and adjusted as necessary to ensure measured growth and to eliminate any large increases that may have resulted from reductions taken in the 1986 and 1987 programs.

6. The Comptroller's Office will provide the results of the base review to the directorates on 7 March and of the ongoing review on 21 March. Any subsequent directorate changes should be incorporated in the Program Plan due on 4 April.

7. The success of our reviews depends largely on the information provided by you and your staffs. We will use it to assist you in considering alternatives and tradeoffs required to accommodate new initiatives in 1988. My staff and I are available to answer questions you may have or assist you in this effort.

Daniel A. Childs, Jr.

Attachments:

- ✓ A. 1988 Guidance for DA Components
- B. 1988 Guidance for DI Components
- C. 1988 Guidance for DO Components
- D. 1988 Guidance for DS&T Components
- E. 1988 Guidance for DCI Area Components
- ✓ F. 1988 Ongoing Initiatives

*Attachment A*

*is with*

*It is nothing that*  
*significant*

S E C R E T

**Page Denied**